CARNEGIE FORUM 305 WEST PINE STREET LODI, CALIFORNIA

AGENDA LODI PLANNING COMMISSION

REGULAR SESSION WEDNESDAY, DECEMBER 11, 2019 @ 7:00 PM

For information regarding this agenda please contact:

Kari Chadwick @ (209) 333-6711

Community Development Secretary

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the Community Development Department, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the Community Development Department as soon as possible and at least 24 hours prior to the meeting date.

- 1. ROLL CALL
- 2. MINUTES None
- 3. PUBLIC HEARINGS
 - a. Request for Planning Commission approval to amend a Use Permit to allow a Type-47 On-Sale Beer, Wine and Spirits for M Sushi at 212 South School Street. (Applicant: Minh Nguyen; File 2019-24 U; CEQA Determination: Exempt per Section 15321)

NOTE: The above item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31

- 4. PLANNING MATTERS/FOLLOW-UP ITEMS
- 5. ANNOUNCEMENTS AND CORRESPONDENCE
- 6. ACTIONS OF THE CITY COUNCIL
- 7. ACTIONS OF THE SITE PLAN AND ARCHITECTURAL REVIEW COMMITTEE
- 8. ACTIONS OF THE LODI ARTS COMMISSION
- 9. COMMENTS BY THE PUBLIC (NON-AGENDA ITEMS)
- 10. COMMENTS BY THE PLANNING COMMISSIONERS & STAFF (NON-AGENDA ITEMS)
- 11. ADJOURNMENT

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

**NOTICE: Pursuant to Government Code §54954.3(a), public comments may be directed to the legislative body concerning any item contained on the agenda for this meeting before (in the case of a Closed Session item) or during consideration of the item.

Right to Appeal:

If you disagree with the decision of the commission, you have a right of appeal. Only persons who participated in the review process by submitting written or oral testimony, or by attending the public hearing, may appeal.

Pursuant to Lodi Municipal Code Section 17.72.110, actions of the Planning Commission may be appealed to the City Council by filing, within ten (10) business days, a written appeal with the City Clerk and payment of \$300.00 appeal fee. The appeal shall be processed in accordance with Chapter 17.88, Appeals, of the Lodi Municipal Code. Contact: City Clerk, City Hall 2nd Floor, 221 West Pine Street, Lodi, California 95240 – Phone: (209) 333-6702.



MEETING DATE: December 11, 2019

APPLICATION NO: Use Permit Amendment: 2019-24 U

REQUEST: Request for Planning Commission approval of a Use Permit to allow

a Type-47 On-Sale Beer, Wine and Spirits for M Sushi Bistro at 212 South School Street. (Applicant: Minh Nguyen; File 2019-24 U;

CEQA Determination: Exempt per Section 15321)

LOCATION: 212 South School Street

Lodi, CA 95240 APN: 043-046-15

APPLICANT: Mr. Minh Nguyen

3121 Petit Lane Stockton, CA 95212

PROPERTY OWNER: Modesta Guillen Aguilar Trust

4333 E. Guernsey Ave Stockton, CA 95209

RECOMMENDATION

Staff recommends the Planning Commission approve the request of Minh Nguyen for a Use Permit to allow the sale of beer, wine and spirits Alcoholic Beverage Control (ABC) Type 47 license (eating place) at 212 South School Street, subject to conditions in the attached resolution.

PROJECT/AREA DESCRIPTION

General Plan Designation: Downtown Mixed Use **Zoning Designation**: Downtown Mixed Use

Property Size: Restaurant measures 2,000 sq. ft.

The adjacent zoning and land use characteristics:

	ADJACENT ZONING DESIGNATIONS AND LAND USES		
	GENERAL PLAN	ZONING CLASSIFICATION	EXISTING LAND USE
North	Downtown Mixed Use	Downtown Mixed Use	Retail/Services
South	Downtown Mixed Use	Downtown Mixed Use	Retail/Services
East	Downtown Mixed Use	Downtown Mixed Use	Retail/Services
West	Downtown Mixed Use	Downtown Mixed Use	Retail/Services

BACKGROUND

The project applicant, Minh Nguyen, is seeking to amend an existing Use Permit that allows M Sushi Bistro to serve beer and wine for on-site consumption. M Sushi Bistro has operated at 212 South School Street since 2018. M Sushi Bistro and previous restaurants have operated at the project site and served alcohol under a Use Permit that was approved by the City in 2014 (2014-20 U). The project applicant has now requested to add sale of spirits for onsite consumption, thus requiring a new Type 47 – beer, wine and spirits license. Aside from a change in the service of spirits, no other changes from current restaurant operations are proposed.

The applicant currently operates the restaurant as follows:

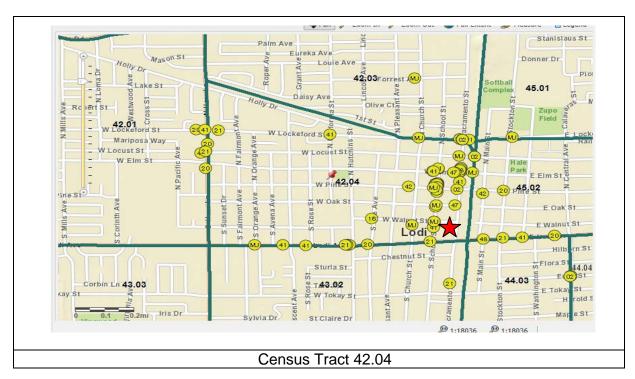
Monday and Tuesday: 5:00 - 9:00Wednesday and Thursday: 11:30 - 9:00Friday and Saturday: 11:30 - 10:00Sunday: 11:30 - 9:00

Occupancy of the restaurant is 90 persons.

The project is located in the Downtown Mixed Use zoning district, which allows on site sale of alcohol. The request involves the approval of a public convenience and necessity (PCN) and Use Permit in an area of the Downtown that historically is over-concentrated with alcohol licenses. In order to allow an additional ABC license, the Planning Commission must make a finding of necessity; and if determined necessary, then consider the appropriateness of conditions of approval for the amendment of the Use Permit.

ANALYSIS

Per Land Use Code Section 17.22.030, onsite consumption of alcohol is permitted in the Downtown Mixed Use (DMU) zoning designation, subject to a use permit. The City established the Use Permit requirement to gain local control over whether or not a license is appropriate for a particular location and place conditions upon the use. The State Department of Alcoholic Beverage Control primarily controls license issuance, based on concentration of licenses within a particular Census Tract.



While the project site currently has approvals for services of beer and wine, the addition of serving spirit triggers the requirement to amend the previously approved use permit and make findings to support ABC's issuance of a Type 47 license.

The project site is within Census Tract 42.04, which covers the area north of Lodi Avenue, west of the U.P.R.R., south of Lockeford Street and east of Ham Lane. The area is over-concentrated as defined by ABC for licenses. Planning staff is of the opinion that a finding of public convenience and necessity is warranted in this case because the primary function of the establishment is a restaurant and does not involve off-site retail or wholesale distribution of alcohol. In the past, the Planning Commission and City staff has supported restaurants that wish to acquire ABC licenses because, typically, restaurants that serve alcohol in conjunction with food sales do not create alcohol related problems. The ABC Type 47 license requires the restaurant to operate as a bone fide eating establishment.

Amendments to previous Use Permit are reviewed consistent with a typical Use Permit review and the Planning Commission may impose conditions designed to avoid, minimize potentially adverse effects. Staff believes that the Planning Commission can make the required findings to approve the requested Use Permit amendment. The required findings are as follows:

- 1. The proposed use is allowed with a Use Permit within the applicable zoning district and complies with all applicable provisions of this Development Code. Comment: The proposal involves the amendment of a Use Permit for an existing restaurant within the Downtown Mixed Use (DMU) Zoning District, which allows sale of alcohol for on-site consumption in accordance with Development Code Section 17.22.030. The intent of the DMU zoning district is to provide for a range of uses, emphasizing high quality development, and to encourage revitalization of existing buildings. The proposal is consistent with this intent.
- 2. The proposed use is consistent with the General Plan and any applicable specific plan. Comment: The General Plan land use designation for this area is Downtown Mixed Use, which provides for sale of alcohol. The proposed sale of beer, wine and spirits in conjunction with a restaurant operation is the type of business allowed by the General Plan. The sale of alcoholic beverages as part of a restaurant is required by the State Department of Alcoholic Beverage Control to be secondary to food sales. Sale of alcohol in conjunction with a restaurant is a common way to increase sales and is therefore, consistent, with the General Plan.
- 3. The location, size, design and operating characteristics of the use or development is compatible with and shall not adversely affect or be materially detrimental to the health, safety, or welfare of persons residing or working in the area, or be detrimental or injurious to public or private property or improvements. Comment: The proposed sale of spirits in conjunction with a restaurant operation is compatible with existing and future land uses in the immediate vicinity of the project area. The sale of alcohol in a restaurant is consistent with other commercial uses, such as the one proposed, in accordance with Land Use Policy subject to a discretionary review. The sale of alcoholic beverages for on-premise consumption is a normal part of business operations for a restaurant and provides a convenience for customers of the business. The proposed use is located in the heart of the downtown area and is surrounded by other complementary uses that cater to the local and tourist trade.
- 4. The location, size, design, and operating characteristics of the proposed use would be compatible with the existing and future land uses in the vicinity. Comment: The proposed use complies with all requirements as set forth for the issuance of this Use Permit, in that the site is adequate in size, shape and topography for the proposed use, consisting of an existing building. Second, restaurants/bars, tasting rooms and other commercial uses with

sale of alcohol operate in this area. Third, the proposed use, as conditioned, will not have an adverse effect upon the use, enjoyment or valuation of property in the neighborhood because the proposed use will be located within an existing building with no additions to the footprint of the building. Fourth, the characteristics of the proposed sale of alcohol in a restaurant/bar operation are customary for these types of businesses. In accordance with ABC requirements, receipts from alcohol sales shall not be in excess of food sales receipts. Fifth, no complaints have been received against the operation of M Sushi Bistro and its current operations that include beer and wine service. Lastly, it is found that the sale of alcoholic beverages, including spirits, as part of a restaurant is a convenience that does not typically create alcohol related problems.

5. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and the Lodi Environmental Review Guidelines. Comment: The project was found to be Categorically Exempt according to the California Environmental Quality Act, §15321, Class 21 (a) (2). The project is classified as an "Enforcement action by regulatory agencies" because it is the "adoption of an administrative decision for the use or enforcing the general rule, standard, or objective." No significant environmental impacts are anticipated and no mitigation measures are required.

Staff sent a copy of the application to various City departments for comment and review. Their comments and requirements have been incorporated into the attached resolution. Conditions of approval are proposed to ensure the restaurant is not operated in a negative manner or without adequate oversight. If problems or concerns related to the sale of alcoholic beverages occur in the future, staff and/or the Planning Commission may initiate a public hearing where the Commission would have the ability to amend conditions or revoke the Use Permit.

ENVIRONMENTAL ASSESSMENT:

The project was found to be Categorically Exempt according to the California Environmental Quality Act, Article 19 §15321, Class 21 (a) (2). The project is classified as an "Enforcement action by regulatory agencies" because it is the "adoption of an administrative decision or order enforcing or revoking the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective." No significant environmental impacts are anticipated and no mitigation measures are required.

PUBLIC HEARING NOTICE:

Legal Notice for the Use Permit was published in the Lodi News Sentinel on Saturday, November 30, 2019. Twenty-Seven (27) public hearing notices were sent to all property owners of record within a 300-foot radius of the project site as required by California State Law §65091 (a) 3. Public notice also was mailed to interested parties who expressed their interest of the project.

RECOMMENDED MOTIONS

Should the Planning Commission agree with staff's recommendation, the following motion is suggested:

"I move that the Planning Commission adopt a Resolution finding that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15321, and adopt a Resolution approving the Amendment of an existing Use Permit to allow the sale of beer, wine and spirits Alcoholic Beverage Control (ABC) Type 47 license at 212 South School Street subject to the findings and conditions of approval contained in the draft Resolution."

ALTERNATIVE PLANNING COMMISSION ACTIONS:

- Approve the request with attached or alternate conditions
- Deny the request
- Continue the request.

Respectfully Submitted,

Concur,

Paul Junker **Contract City Planner** Stephen Schwabauer Community Development Director

ATTACHMENTS:

A. Vicinity / Aerial MapB. Draft Resolution

VICINITY MAP



212 South School Street

RESOLUTION NO. P.C. XX

- A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LODI APPROVING THE REQUEST OF MINH NGUYEN FOR A USE PERMIT FOR A TYPE 47 ABC LICENSE TO ALLOW SALE OF BEER, WINE AND SPIRITS AT 212 SOUTH SCHOOL STREET
- WHEREAS, the Planning Commission of the City of Lodi has heretofore held a duly noticed public hearing, as required by law, on the requested Use Permit, in accordance with the Lodi Municipal Code, Section 17.74; and
- WHEREAS, the project proponent is Minh Nguyen, 3121 Petit Lane, Stockton, CA 95212; and
- **WHEREAS,** the project parcel is owned by the Modesta Guillen Aguilar Trust, 4333 E. Guernsey Ave., Stockton, CA 95209; and
- **WHEREAS**, the project is located at 212 South School Street, Lodi, CA 95240 (APN: 043-046-15); and
- **WHEREAS**, the property has a General Plan designation of Downtown Mixed Use and is zoned Downtown Mixed Use (DMU); and
- **WHEREAS**, Census Tract 42.04 in which the proposed restaurant/bar is to be located is over concentrated of licenses allowing on premise consumption of alcoholic beverages; and
- WHEREAS, because Census Tract 42.04 has an over-concentration of On-sale licenses, the Planning Commission must make a finding of public convenience and necessity in order to permit the issuance of an additional Alcohol Beverage Control license in this tract; and
- WHEREAS, the project proponent has operated M Sushi Bistro at 212 South School Street since 2018, has operated under an ABC Type 41 license (on-site beer and wine), and now is seeking an ABC Type 47 license (on-site beer, wine and spirits); and
- WHEREAS, based upon the facts and analysis presented in the staff report, and public testimony received and subject to the conditions of approval listed below, the Planning Commission finds that the addition of sale of spirits for on-site consumption at the existing M Sushi Bistro restaurant will not, under the circumstances of this particular case, be detrimental to the health, safety, morals, comfort, convenience and general welfare of the persons residing or working in the neighborhood of such proposed use, or be injurious or detrimental to property and improvements in the neighborhood or to the general welfare of the City; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and Based upon the evidence within the staff report and project file the Planning Commission finds:

- 1. The project was found to be Categorically Exempt according to the California Environmental Quality Act Section15321, Class 21. The project is classified as an "Enforcement action by regulatory agencies" because it is the "adoption of an administrative decision or order enforcing or revoking the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective." No significant environmental impacts are anticipated and no mitigation measures are required.
- 2. The sale of alcoholic beverages for on-premise consumption as part of a restaurant is a permitted use in the DMU Zoning District. The site is suitable and adequate for the proposed use because establishment of a restaurant/bar on this site would not create negative impacts on businesses in the vicinity.

- On-sale of beer, wine and distilled spirits, in accordance with a Type 47 Alcohol Beverage Control License and with the conditions attached herein, would be consistent and in harmony with the Downtown Mixed Use General Plan Land Use Designation and DMU Zoning District.
- 4. The proposed use is consistent with the General Plan because commercial uses such as the one proposed are permitted in accordance with Land Use Policy subject to a discretionary review.
- 5. The proposed use would not have a substantial adverse economic effect on nearby uses because operation of a restaurant in accordance with applicable laws and under the conditions of this Use Permit is anticipated to be an economic benefit to the community.
- 6. Approval of the requested use permit will not affect the harmony of scale, bulk, coverage and density of the proposed project and its surrounding uses as M Sushi Bistro has operated since 2018 and no exterior improvements are proposed under this request.
- 7. The availability of public facilities and utilities is adequate to serve the proposed use, in that M Sushi Bistro is currently operating in the proposed location and no impacts to public facilities and services, including sewer, water, electricity, phone, etc., are anticipated as a result of the requested approvals.
- 8. Steps will be taken by the Applicant/Operator to reduce the number of incidents resulting from the over-consumption of alcohol including the proper training and monitoring of employees serving alcohol; the careful screening of IDs of customers to avoid sales to under-aged individuals; limiting the number of drinks sold to individual customers to avoid over-consumption; providing properly trained on-site security to monitor customer behavior both in and outside of the establishment; and working with the Lodi Police Dept. to resolve any problems that may arise.
- 9. The proposed use can be compatible with the surrounding use and neighborhood if the business is conducted properly and if the Applicant/Operator works with neighboring businesses and residents to resolve any problems that may occur.
- 10. The proposed use would not be detrimental to the general welfare of persons residing and working in the immediate vicinity, the neighborhood or the community at large because the sale of alcohol with a restaurant operation is not associated with detrimental impacts to the community.
- 11. The sale of alcoholic beverages at this location meets the intent of the DMU Zoning District and provides a public convenience or necessity for customers of the business.

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Planning Commission of the City of Lodi that Use Permit Application No. 2019-24 U is hereby approved, subject to the following conditions:

Community Development-Planning

1. The applicant/project proponent and/or property owner and/or developer and/or successors in interest and management shall, at their sole expense, defend, indemnify and hold harmless the City of Lodi, its agents, officers, directors and employees, from and against all claims, actions, damages, losses, or expenses of every type and description, including but not limited to payment of attorneys' fees and costs, by reason of, or arising out of, this Use Permit approval. The obligation to defend, indemnify and hold harmless shall include, but is not limited to, any action to arbitrate, attack, review, set aside, void or annul this Use Permit approval on any grounds whatsoever. The City of Lodi shall promptly notify the developer of any such claim, action, or proceeding and shall cooperate fully in the defense.

- 2. The applicant/project proponent and/or property owner and/or developer and/or successors in interest and management shall operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control. Material violation of any of those laws in connection with the use may be cause for revocation of this Use Permit.
- 3. Starting from the effective date the business commences the sale of beer, wine and distilled spirits, this Use Permit shall be subject to a six-month and one-year review by Community Development Department and/or the Police Department. If the Community Development Department/Police Department determines it necessary, the Use Permit shall be subject to review by the Planning Commission to consider the business's operation for compliance with the conditions of the Use Permit, and in response to any legitimate complaints thereafter. Further, the City reserves the right to periodically review the area for potential problems. If problems (on-site or within the immediate area) including, but not limited to, public drunkenness, the illegal sale or use of narcotics, drugs or alcohol, disturbing the peace and disorderly conduct result from the proposed land use, the Use Permit may be subject to review and revocation by the City of Lodi after a public hearing and following the procedures outlined in the City of Lodi Municipal Code. Additional reviews may be prescribed by the Community Development Department, the Police Department and/or Planning Commission as needed during and after the one-year probationary period.
- 4. If operation of this use results in conflicts pertaining to parking, noise, traffic, loitering, public safety or other impacts, at the discretion of the Community Development Department, this conditional use permit may be referred to the Planning Commission for subsequent review at a public hearing. If necessary, the Commission may modify or add conditions of approval to mitigate such impacts or may revoke said conditional use permit bound upon applicable findings.
- 5. The City Council, Lodi Police Department, the Planning Commission and City staff may, at any time, request that the Planning Commission conduct a hearing on this Use Permit for the purpose of amending or adding new conditions to the Use Permit or to consider revocation of the Use Permit if the Use Permit becomes a serious policing problem.
- 6. The Applicant/Operator and/or successors in interest and management shall insure that the sale of alcohol does not cause any condition that will cause or result in repeated activities that are harmful to the health, peace or safety of persons residing or working in the surrounding area. This includes, but is not limited to: disturbances of the peace, illegal drug activity, public intoxication, drinking in public, harassment of people passing by, assaults, batteries, acts of vandalism, loitering, excessive littering, illegal parking, excessive loud noises, traffic violations or traffic safety based upon last drink statistics, curfew violations, lewd conduct, or police detention and arrests.
- 7. All owners, managers and employees selling alcoholic beverages shall undergo and successfully complete a certified training program in responsible methods and skills for selling alcoholic beverages. The certified program must meet the standards of the California Coordinating Council on Responsible Beverage Service or other certifying/licensing body, which the State may designate. The establishment shall comply with the requirements of this section within 30 calendar days of effective date of this Use Permit. Records of each owner's, manager's and employee's successful completion of the required certified training program shall be maintained on the premises and shall be presented upon request by a representative of the City of Lodi. The business owner shall be responsible for on-going training to accommodate changes in personnel.

- 8. No person who is in a state of intoxication shall be permitted within the business nor shall an intoxicated patron be sold additional alcoholic beverages. It is the responsibility of the business owner/operator to ensure no patron in state of intoxication is allowed into the premise.
- 9. Prior to commencement of the use, or commencement of any subsequent operators and/or successors in interest, the applicant/operator shall prepare and submit a practical program for controlling litter, spills, and stains resulting from the use on the site to the Community Development Department for review and approval. The program shall include a detailed time frame for the policing and cleanup of the public sidewalk and right-of-way in front of the subject property as well as the adjacent public right-of-way (25 feet north and south of the subject property, and 25 feet down the alley) not just in front of the subject tenant space. Failure to comply with that program shall be considered a violation of the Use Permit and shall be subject to administrative remedy in accordance with Chapter 17.72 and Chapter 17.88 of the City of Lodi Municipal Code.
- 10. The subject property and its immediate surrounding shall be maintained neat and clean at all times. The subject property and its immediate surrounding shall be maintained free from debris and graffiti at all times. The property owner shall remove any debris or graffiti within 24-hours upon notification by the City. Litter on the site and any litter scattered on nearby property, streets, and sidewalks shall be removed daily. If necessary, the applicant shall steam clean the project site and its immediate surrounding premises as often as needed.
- 11. In the event of graffiti or other extraneous markings occurring, the applicant/operator and/or successors in interest and management shall remove or cover said markings, drawings, or signage within 24 hours of such occurrence, weather permitting. Paint utilized in covering such markings shall be of a color that matches, as closely as possible, the color of the adjacent surfaces.
- 12. Any change in operational characteristics, expansion in area or other modification to the approved plans shall require an amendment to this Use Permit or the processing of a new Use Permit.
- 13. The applicant/project proponent and/or property owner and/or developer and/or successors in interest and management shall be responsible for the control of noise generated by the subject facility including, but not limited to, noise generated by patrons and employees. All noise generated by the proposed use shall comply with the provisions of Chapter 9.24 and other applicable noise control requirements.
- 14. The applicant shall obtain Operational Permits from the Lodi Fire Department, Fire Prevention Bureau. The Operational Permits shall be obtained prior to commencement of sale of alcohol. The Fire Department may be contacted at 25 East Pine Street, Lodi, CA 95240-2127. Phone Number (209) 333-6739.
- 15. Any changes to the existing building, which are regulated by the current codes, shall require a building permit. All plan submittals shall be based on the City of Lodi Building Regulations and currently adopted 2013 California Building code. Please review our policy handouts for specific submittal procedures.
- 16. The applicant shall obtain all required permits and licenses from the California Department of Alcoholic Beverage Control and the San Joaquin County Health Department prior to commencement of the use and maintain said permits at all times while the use is operating. Copies of all permits and licenses shall be submitted to the Community Development Department prior to commencement of the use.
- 17. Any fees due the City of Lodi for processing this Project shall be paid to the City within thirty (30) calendar days of final action by the approval authority. Failure to pay such outstanding

fees within the time specified shall invalidate any approval or conditional approval granted. No permits, site work, or other actions authorized by this action shall be processed by the City, nor permitted, authorized or commenced until all outstanding fees are paid to the City.

18. No variance from any City of Lodi adopted code, policy or specification is granted or implied by this approval.

I certify that Resolution No. XX was passed and adopted by the Planning Commission of the City of Lodi at a regular meeting held on December 11, 2019 by the following vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:

ATTEST

Secretary, Planning Commission